Title: Requested to withdraw the excise duty imposed on the small scale industries which supply spare parts of arms and ammunitions to the ordinance factories under the Ministry of Defence.

SHRI HANNAN MOLLAH (ULUBERIA): Mr. Chairman, Sir, I would like to draw the attention of the House to the serious problem faced by small-scale industries which are supplying spare parts of arms and ammunition to Ordnance Factories under the Ministry of Defence. There are thousands of such units and lakhs of workers are working in those units. Earlier, when they were supplying to the Ministry of Defence, there was no excise duty, but in the last Budget, the Government has levied 32 per cent excise duty on those small scale industries which are supplying to the Ministry of Defence. Earlier, there was exemption up to one crore rupees, but now the Government has imposed a duty on them and because of that these industries are facing a serious crisis. Those units which are producing luxury goods have been exempted; even there is no duty on those things which Ordnance Factories are importing from foreign countries. They are duty-free. Now, those small-scale industries in our country, which have developed expertise in cooperation with the Ministry of Defence and supplying spare parts for the last several decades, will be affected by this.

Sir, thirty-two per cent duty has been imposed. It is creating a serious problem for them. I would like to request the government that this Excise Duty should be withdrawn and the small scale units should be allowed to supply spare parts to the Defence stores without any duty being imposed on them.